

FILED - GR

August 18, 2010 4:56 PM

TRACEY CORDES, CLERK

U.S. DISTRICT COURT

WESTERN DISTRICT OF MICHIGAN

By elc/ _____ Scanned By 2/8/9-10

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION

UNITED STATES OF AMERICA,

Plaintiff,

vs.

No.

1:10-cr-237

Hon.

Robert J. Jonker

U.S. District Judge

JAY FLETCHER VINCENT AND
ANTHONY LEROY PORTEE,

Defendants.
_____ /

INDICTMENT

The Grand Jury charges:

COUNT 1

(Mail Fraud)

That from January 1, 2006 to December 31, 2006, in Ingham County, in the Southern
Division of the Western District of Michigan and other places,

**JAY FLETCHER VINCENT and
ANTHONY LEROY PORTEE,**

defendants, did knowingly and unlawfully devise a scheme and artifice to defraud job-seekers
who contacted Foreclosure Bank Inspection Company, and other persons, of money, funds,
credits and similar property rights, and did aid and abet the same.

The Mail Fraud Scheme

Foreclosure Bank Inspection Company (FBIC) was a business owned and operated by the
defendants in the Lansing, Michigan area. FBIC claimed that it was in the business of testing,

certifying and employing persons to inspect bank foreclosed homes. FBIC advertised its alleged business in newspapers and on the Internet. In its advertising, and otherwise, FBIC claimed that it had contracts with major banks to perform inspections of “foreclosed” homes and that FBIC had received large checks, worth hundreds of thousands of dollars, from major banks as payment for inspections of “foreclosed” homes. FBIC, in its advertising and recruitment of applicants, also claimed that it hired contractors and subcontractors to perform inspections of “foreclosed” homes. The defendants were the managers and owners of FBIC during times relevant to this Indictment.

In truth and fact, the defendants used FBIC to engage in a fraudulent scheme to deprive innocent victims of money, funds and similar property rights by the commission of a mail fraud scheme, involving the following:

- 1) the defendants and FBIC did not have large contracts to perform foreclosed home inspections with national banks. These contracts were the purported source of funds to pay for “contractors” hired by FBIC. The “contracts” displayed in the FBIC advertising were altered/counterfeited documents; the banks listed in FBIC advertising did not contract the services of FBIC to inspect foreclosed homes;

- 2) the defendants and FBIC had not received large checks from national banks. The “checks” displayed in the FBIC advertising were altered/counterfeited documents. These checks were the purported source of funds to pay for “contractors” hired by FBIC;

- 3) the defendants and FBIC did not “hire contractors” as advertised. The paid employees of FBIC were limited to the managers in the Lansing office and the phone assistants who took calls to perpetuate the fraud;

4) the defendants and FBIC offered to sell liability insurance policies to job applicants but in fact did not provide liability insurance coverage to job applicants in return for a payment of \$149. There was no insurance policy; false insurance policy documents were prepared in the FBIC offices;

5) the defendants and FBIC offered to perform background checks for job applicants but in fact did not perform background checks for job applicants in return for a payment of \$89. The money for the background check was simply received by the defendants. The alleged "third party owned company" that FBIC claimed conducted background investigations was actually owned and operated by the defendants. The FBIC phone assistants did not even collect an applicant's date of birth or Social Security number as part of the applicant's background check information. Any background investigations performed by FBIC were sham investigations;

6) the defendants mailed tests to FBIC job applicants as part of the alleged employment selection process for contractor positions. Applicants were told that only the top test scorers were eligible to be hired as "contractors." However, in truth and fact, the tests were not scored. Most test results were placed in boxes and simply stored without review. A small number of test results were given minimal scrutiny. Any test scoring performed by the defendants was a sham;

7) the defendants used aliases to disguise their true identities, when dealing with applicants and the general public concerning inquiries about FBIC; and

8) When applicants complained about the fraudulent scheme, the defendants and FBIC sent false and misleading letters, containing false statements and altered/counterfeit documents, to applicants, State Attorneys General, law enforcement agencies, and the Better Business Bureau.

In addition, the defendants and FBIC delayed discovery of the fraudulent scheme by using lulling techniques. When the customers requested information about their employment, background check and insurance coverage, the defendants made false explanations, false promises and failed to disclose the truth concerning FBIC's business practices.

During the life of the mail fraud scheme, FBIC and the defendants defrauded approximately 20,000 victims out of over \$2,000,000 in payments to FBIC.

Mailings

For the purpose of executing the scheme to defraud, the defendants knowingly caused to be delivered, by both the United States Postal Service and commercial interstate carriers, according to the directions thereon, envelopes containing applications to work at FBIC, promotional materials from FBIC, requests for background checks and insurance coverage, testing materials and payments to FBIC, which were mailed from and delivered in the Western District of Michigan.

In particular, on or about **March 18, 2006**, the defendants caused **B.F., an applicant to FBIC**, to mail an envelope containing an FBIC application and testing materials, for delivery by the United States Postal Service, from Mesquite, Texas, to FBIC in East Lansing, Michigan, in the Western District of Michigan.

In particular, on or about **August 1, 2006**, the defendants caused **employees of FBIC** to mail an envelope containing an FBIC application and kit, for delivery by the United States Postal Service, from East Lansing, Michigan, in the Western District of Michigan, to **T.B.**, an applicant to FBIC, in Pahrump, Nevada.

In particular, on or about **November 13, 2006**, the defendants caused **T.W., an applicant to FBIC**, to mail an envelope containing an FBIC application and testing materials, for delivery by the United States Postal Service, from Gridley, California, to East Lansing, Michigan in the Western District of Michigan.

In particular, on or about **December 19, 2006**, the defendants caused **V.J., an applicant to FBIC**, to mail an envelope containing an FBIC application and testing materials, for delivery by the United States Postal Service, from Charlotte, North Carolina to FBIC in East Lansing, Michigan, in the Western District of Michigan.

18 U.S.C. § 1341

18 U.S.C. § 2

COUNT 2

(Mail Fraud)

That from January 1, 2007 to December 31, 2007, in Ingham County, in the Southern Division of the Western District of Michigan and other places,

**JAY FLETCHER VINCENT and
ANTHONY LEROY PORTEE,**

defendants, did knowingly and unlawfully devise a scheme and artifice to defraud job-seekers who contacted Foreclosure Bank Inspection Company, and other persons, of money, funds, credits and similar property rights, and did aid and abet the same.

The Mail Fraud Scheme

Foreclosure Bank Inspection Company (FBIC) was a business owned and operated by the defendants in the Lansing, Michigan area. FBIC claimed that it was in the business of testing, certifying and employing persons to inspect bank foreclosed homes. FBIC advertised its alleged business in newspapers and on the Internet. In its advertising, and otherwise, FBIC claimed that it had contracts with major banks to perform inspections of “foreclosed” homes and that FBIC had received large checks, worth hundreds of thousands of dollars, from major banks as payment for inspections of “foreclosed” homes. FBIC, in its advertising and recruitment of applicants, also claimed that it hired contractors and subcontractors to perform inspections of “foreclosed” homes. The defendants were the managers and owners of FBIC during times relevant to this Indictment.

In truth and fact, the defendants used FBIC to engage in a fraudulent scheme to deprive

innocent victims of money, funds and similar property rights by the commission of a mail fraud scheme, involving the following:

1) the defendants and FBIC did not have large contracts to perform foreclosed home inspections with national banks. These contracts were the purported source of funds to pay for “contractors” hired by FBIC. The “contracts” displayed in the FBIC advertising were altered/counterfeited documents; the banks listed in FBIC advertising did not contract the services of FBIC to inspect foreclosed homes;

2) the defendants and FBIC had not received large checks from national banks. The “checks” displayed in the FBIC advertising were altered/counterfeited documents. These checks were the purported source of funds to pay for “contractors” hired by FBIC;

3) the defendants and FBIC did not “hire contractors” as advertised. The paid employees of FBIC were limited to the managers in the Lansing office and the phone assistants who took calls to perpetuate the fraud;

4) the defendants and FBIC offered to sell liability insurance policies to job applicants but in fact did not provide liability insurance coverage to job applicants in return for a payment of \$149. There was no insurance policy; false insurance policy documents were prepared in the FBIC offices;

5) the defendants and FBIC offered to perform background checks for job applicants but in fact did not perform background checks for job applicants in return for a payment of \$89. The money for the background check was simply received by the defendants. The alleged “third party owned company” that FBIC claimed conducted background investigations was actually owned and operated by the defendants. The FBIC phone assistants did not even collect an applicant’s

date of birth or Social Security number as part of the applicant's background check information.

Any background investigations performed by FBIC were sham investigations;

6) the defendants mailed tests to FBIC job applicants as part of the alleged employment selection process for contractor positions. Applicants were told that only the top test scorers were eligible to be hired as "contractors." However, in truth and fact, the tests were not scored. Most test results were placed in boxes and simply stored without review. A small number of test results were given minimal scrutiny. Any test scoring performed by the defendants was a sham;

7) the defendants used aliases to disguise their true identities, when dealing with applicants and the general public concerning inquiries about FBIC; and

8) When applicants complained about the fraudulent scheme, the defendants and FBIC sent false and misleading letters, containing false statements and altered/counterfeit documents, to applicants, State Attorneys General, law enforcement agencies, and the Better Business Bureau.

In addition, the defendants and FBIC delayed discovery of the fraudulent scheme by using lulling techniques. When the customers requested information about their employment, background check and insurance coverage, the defendants made false explanations, false promises and failed to disclose the truth concerning FBIC's business practices.

During the life of the mail fraud scheme, FBIC and the defendants defrauded approximately 20,000 victims out of over \$2,000,000 in payments to FBIC.

Mailings

For the purpose of executing the scheme to defraud, the defendants knowingly caused to

be delivered, by both the United States Postal Service and commercial interstate carriers, according to the directions thereon, envelopes containing applications to work at FBIC, promotional materials from FBIC, requests for background checks and insurance coverage, testing materials and payments to FBIC, which were mailed from and delivered in the Western District of Michigan.

In particular, on or about **September 25, 2007**, the defendants caused, **C.J., an applicant to FBIC**, to mail an envelope containing FBIC application materials, for delivery by the United States Postal Service, from, Holton, Michigan to FBIC in East Lansing, Michigan, in the Western District of Michigan.

In particular, on or about **December 17, 2007**, the defendants caused the **employees of FBIC** to mail an envelope containing an FBIC application and kit, for delivery by the United States Postal Service, from East Lansing, Michigan, in the Western District of Michigan, to **S.D., an applicant**, in Tampa, Florida.

18 U.S.C. § 1341

18 U.S.C. § 2

COUNT 3

(Mail Fraud)

That from January 1, 2008 to December 31, 2008, in Ingham County, in the Southern Division of the Western District of Michigan and other places,

**JAY FLETCHER VINCENT and
ANTHONY LEROY PORTEE,**

defendants, did knowingly and unlawfully devise a scheme and artifice to defraud job-seekers who contacted Foreclosure Bank Inspection Company, and other persons, of money, funds, credits and similar property rights, and did aid and abet the same.

The Mail Fraud Scheme

Foreclosure Bank Inspection Company (FBIC) was a business owned and operated by the defendants in the Lansing, Michigan area. FBIC claimed that it was in the business of testing, certifying and employing persons to inspect bank foreclosed homes. FBIC advertised its alleged business in newspapers and on the Internet. In its advertising, and otherwise, FBIC claimed that it had contracts with major banks to perform inspections of “foreclosed” homes and that FBIC had received large checks, worth hundreds of thousands of dollars, from major banks as payment for inspections of “foreclosed” homes. FBIC, in its advertising and recruitment of applicants, also claimed that it hired contractors and subcontractors to perform inspections of “foreclosed” homes. The defendants were the managers and owners of FBIC during times relevant to this Indictment.

In truth and fact, the defendants used FBIC to engage in a fraudulent scheme to deprive

innocent victims of money, funds and similar property rights by the commission of a mail fraud scheme, involving the following:

1) the defendants and FBIC did not have large contracts to perform foreclosed home inspections with national banks. These contracts were the purported source of funds to pay for “contractors” hired by FBIC. The “contracts” displayed in the FBIC advertising were altered/counterfeited documents; the banks listed in FBIC advertising did not contract the services of FBIC to inspect foreclosed homes;

2) the defendants and FBIC had not received large checks from national banks. The “checks” displayed in the FBIC advertising were altered/counterfeited documents. These checks were the purported source of funds to pay for “contractors” hired by FBIC;

3) the defendants and FBIC did not “hire contractors” as advertised. The paid employees of FBIC were limited to the managers in the Lansing office and the phone assistants who took calls to perpetuate the fraud;

4) the defendants and FBIC offered to sell liability insurance policies to job applicants but in fact did not provide liability insurance coverage to job applicants in return for a payment of \$149. There was no insurance policy; false insurance policy documents were prepared in the FBIC offices;

5) the defendants and FBIC offered to perform background checks for job applicants but in fact did not perform background checks for job applicants in return for a payment of \$89. The money for the background check was simply received by the defendants. The alleged “third party owned company” that FBIC claimed conducted background investigations was actually owned and operated by the defendants. The FBIC phone assistants did not even collect an applicant’s

date of birth or Social Security number as part of the applicant's background check information.

Any background investigations performed by FBIC were sham investigations;

6) the defendants mailed tests to FBIC job applicants as part of the alleged employment selection process for contractor positions. Applicants were told that only the top test scorers were eligible to be hired as "contractors." However, in truth and fact, the tests were not scored. Most test results were placed in boxes and simply stored without review. A small number of test results were given minimal scrutiny. Any test scoring performed by the defendants was a sham;

7) the defendants used aliases to disguise their true identities, when dealing with applicants and the general public concerning inquiries about FBIC; and

8) When applicants complained about the fraudulent scheme, the defendants and FBIC sent false and misleading letters, containing false statements and altered/counterfeit documents, to applicants, State Attorneys General, law enforcement agencies, and the Better Business Bureau.

In addition, the defendants and FBIC delayed discovery of the fraudulent scheme by using lulling techniques. When the customers requested information about their employment, background check and insurance coverage, the defendants made false explanations, false promises and failed to disclose the truth concerning FBIC's business practices.

During the life of the mail fraud scheme, FBIC and the defendants defrauded approximately 20,000 victims out of over \$2,000,000 in payments to FBIC.

Mailings

For the purpose of executing the scheme to defraud, the defendants knowingly caused to

be delivered, by both the United States Postal Service and commercial interstate carriers, according to the directions thereon, envelopes containing applications to work at FBIC, promotional materials from FBIC, requests for background checks and insurance coverage, testing materials and payments to FBIC, which were mailed from and delivered in the Western District of Michigan.

In particular, on or about **April 3, 2008**, the defendants caused **employees of FBIC** to mail an envelope containing an FBIC application and kit, for delivery by the United States Postal Service, from East Lansing, Michigan, in the Western District of Michigan, to **D.A.**, an applicant to FBIC, in Roanoke, Virginia.

In particular, on or about **April 10, 2008**, the defendants caused **employees of FBIC** to mail an envelope containing an FBIC application and kit, for delivery by the United States Postal Service, from East Lansing, Michigan, in the Western District of Michigan, to **D.D.**, an applicant to FBIC, in Norfolk, Virginia.

In particular, on or about **August 20, 2008**, the defendants caused **employees of FBIC** to mail an envelope containing an FBIC application and kit, for delivery by the United States Postal Service, from East Lansing, Michigan, in the Western District of Michigan, to **B.C.**, an applicant to FBIC, in Camp Verde, Arizona.

In particular, on or about **October 30, 2008**, the defendants caused **employees of FBIC** to mail an envelope containing FBIC employment materials, for delivery by the United States Postal Service, from East Lansing, Michigan, in the Western District of Michigan, to **C.D.**, an applicant to FBIC, in Denver, Colorado.

18 U.S.C. § 1341

18 U.S.C. § 2

COUNT 4

(Mail Fraud)

That from January 1, 2009 to August 25, 2009, in Ingham County, in the Southern Division of the Western District of Michigan and other places,

**JAY FLETCHER VINCENT and
ANTHONY LEROY PORTEE,**

defendants, did knowingly and unlawfully devise a scheme and artifice to defraud job-seekers who contacted Foreclosure Bank Inspection Company, and other persons, of money, funds, credits and similar property rights, and did aid and abet the same.

The Mail Fraud Scheme

Foreclosure Bank Inspection Company (FBIC) was a business owned and operated by the defendants in the Lansing, Michigan area. FBIC claimed that it was in the business of testing, certifying and employing persons to inspect bank foreclosed homes. FBIC advertised its alleged business in newspapers and on the Internet. In its advertising, and otherwise, FBIC claimed that it had contracts with major banks to perform inspections of “foreclosed” homes and that FBIC had received large checks, worth hundreds of thousands of dollars, from major banks as payment for inspections of “foreclosed” homes. FBIC, in its advertising and recruitment of applicants, also claimed that it hired contractors and subcontractors to perform inspections of “foreclosed” homes. The defendants were the managers and owners of FBIC during times relevant to this Indictment.

In truth and fact, the defendants used FBIC to engage in a fraudulent scheme to deprive

innocent victims of money, funds and similar property rights by the commission of a mail fraud scheme, involving the following:

1) the defendants and FBIC did not have large contracts to perform foreclosed home inspections with national banks. These contracts were the purported source of funds to pay for “contractors” hired by FBIC. The “contracts” displayed in the FBIC advertising were altered/counterfeited documents; the banks listed in FBIC advertising did not contract the services of FBIC to inspect foreclosed homes;

2) the defendants and FBIC had not received large checks from national banks. The “checks” displayed in the FBIC advertising were altered/counterfeited documents. These checks were the purported source of funds to pay for “contractors” hired by FBIC;

3) the defendants and FBIC did not “hire contractors” as advertised. The paid employees of FBIC were limited to the managers in the Lansing office and the phone assistants who took calls to perpetuate the fraud;

4) the defendants and FBIC offered to sell liability insurance policies to job applicants but in fact did not provide liability insurance coverage to job applicants in return for a payment of \$149. There was no insurance policy; false insurance policy documents were prepared in the FBIC offices;

5) the defendants and FBIC offered to perform background checks for job applicants but in fact did not perform background checks for job applicants in return for a payment of \$89. The money for the background check was simply received by the defendants. The alleged “third party owned company” that FBIC claimed conducted background investigations was actually owned and operated by the defendants. The FBIC phone assistants did not even collect an applicant’s

date of birth or Social Security number as part of the applicant's background check information.

Any background investigations performed by FBIC were sham investigations;

6) the defendants mailed tests to FBIC job applicants as part of the alleged employment selection process for contractor positions. Applicants were told that only the top test scorers were eligible to be hired as "contractors." However, in truth and fact, the tests were not scored. Most test results were placed in boxes and simply stored without review. A small number of test results were given minimal scrutiny. Any test scoring performed by the defendants was a sham;

7) the defendants used aliases to disguise their true identities, when dealing with applicants and the general public concerning inquiries about FBIC; and

8) When applicants complained about the fraudulent scheme, the defendants and FBIC sent false and misleading letters, containing false statements and altered/counterfeit documents, to applicants, State Attorneys General, law enforcement agencies, and the Better Business Bureau.

In addition, the defendants and FBIC delayed discovery of the fraudulent scheme by using lulling techniques. When the customers requested information about their employment, background check and insurance coverage, the defendants made false explanations, false promises and failed to disclose the truth concerning FBIC's business practices.

During the life of the mail fraud scheme, FBIC and the defendants defrauded approximately 20,000 victims out of over \$2,000,000 in payments to FBIC.

Mailings

For the purpose of executing the scheme to defraud, the defendants knowingly caused to

be delivered, by both the United States Postal Service and commercial interstate carriers, according to the directions thereon, envelopes containing applications to work at FBIC, promotional materials from FBIC, requests for background checks and insurance coverage, testing materials and payments to FBIC, which were mailed from and delivered in the Western District of Michigan.

In particular, on or about **January 6, 2009**, the defendants caused **employees of FBIC** to mail an envelope containing an FBIC application and kit, for delivery by the United States Postal Service, from East Lansing, Michigan, in the Western District of Michigan, to **R.D.**, an applicant to FBIC, in Phoenix, Arizona.

In particular, on or about **June 2, 2009**, the defendants caused **employees of FBIC** to mail an envelope containing an FBIC application and kit, for delivery by the United States Postal Service, from Lansing, Michigan, in the Western District of Michigan, to **J.W.**, an applicant to FBIC, in Portland, Oregon.

In particular, on or about **June 10, 2009**, the defendants caused **employees of FBIC** to mail an envelope containing FBIC employment materials, for delivery by the United States Postal Service, from Lansing, Michigan, in the Western District of Michigan, to **E.H.**, an applicant to FBIC, in Colorado Springs, Colorado.

In particular, on or about **June 23, 2009**, the defendants caused **employees of FBIC** to mail an envelope containing an FBIC application and kit, for delivery by the United States Postal Service, from Holt, Michigan, in the Western District of Michigan, to **R.A.**, an applicant to FBIC, in Tallahassee, Florida.

In particular, on or about **May 4, 2009**, the defendants caused **employees of FBIC** to mail an envelope containing an FBIC application and kit, for delivery by the United States Postal Service, from Lansing, Michigan, in the Western District of Michigan, to a United States Postal Inspector, posing as **E.M.**, an applicant to FBIC, in Ypsilanti, Michigan.

In particular, on or about **June 1, 2009**, the defendants caused **employees of FBIC** to mail an envelope containing FBIC employment materials, for delivery by the United States Postal Service, from Lansing, Michigan, in the Western District of Michigan, to a United States Postal Inspector, posing as **E.M.**, an applicant to FBIC, in Ypsilanti, Michigan.

In particular, on or about July 27, 2009, the defendants caused **employees of FBIC** to mail an envelope containing an FBIC application and kit, for delivery by the United States Postal Service, from Lansing, Michigan, in the Western District of Michigan, to a United States Postal Inspector, posing as **B.A.**, an applicant to FBIC, in Detroit, Michigan.

In particular, on or about August 24, 2009, the defendants caused **employees of FBIC** to mail an envelope containing FBIC employment materials, for delivery by the United States Postal Service, from Lansing, Michigan, in the Western District of Michigan, to a United States Postal Inspector, posing as **B.A.**, an applicant to FBIC, in Detroit, Michigan.

18 U.S.C. § 1341

18 U.S.C. § 2

COUNT 5

(False Statement on Tax Return)

That on or about April 15, 2009, in Ingham County, in the Southern Division of the Western District of Michigan,

JAY FLETCHER VINCENT,


defendant, a resident of East Lansing, Michigan, did willfully make and subscribe a United States Individual Income Tax Return, Form 1040, for the calendar year 2008, which was verified by a written declaration that it was made under the penalties of perjury and was filed with the Internal Revenue Service, which said income tax return he did not believe to be true and correct as to every material matter, in that the said return reported on line 12, business income of \$62,438, whereas, as he then and there well knew and believed, his true business income was \$330,269.

26 U.S.C. § 7206(1)

A TRUE BILL


GRAND JURY FOREPERSON

DONALD A. DAVIS
United States Attorney


MICHAEL A. MACDONALD
Assistant United States Attorney